

PLAN HIGHLIGHTS

Fayette County, Georgia 457(b) Deferred Compensation Plan

These are the highlights of your plan. If any information here conflicts with the terms of your plan, the plan language governs.

JOINING THE PLAN

Who is eligible to join the plan?

Any Employee who is

- (1) a full-time Employee who is hired for an indefinite period of time without a stated limitation as to length of service and who is employed to work forty (40) hours per week (including any furloughed hours) or its equivalent; or
- (2) one of the following Elected Officials of the County: Magistrate Judge, Coroner, County Commissioners, Sheriff, Probate Judge, Clerk Superior Court, or Tax Commissioner; or
- (3) one of the following Appointed Officials of the County: County Administrator or County Attorney.

In addition, the following individuals are **excluded** from participating in the Plan:

- (1) any individual who receives supplemental compensation from the County; (2) the Solicitor General; and (3) State Court judges.

All Eligible Employees, other than Elected/Appointed Officials need to work at least 3 month(s).

When may I join the plan?

Eligible employees may begin participating in the plan first of the month following 3 months of employment; Elected/Appointed Officials – the first day of their term of office.

MAKING CONTRIBUTIONS

What is my “pay” under the plan?

Your plan contains a definition of “pay” for calculating contribution amounts. Your plan may use different definitions of “pay” for other purposes.



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How much may I contribute to the plan?

The contribution(s) that you may make to the plan are displayed below:

DEFERRED SALARY CONTRIBUTIONS

You may make Deferred Salary Contributions that consist of pre-tax dollars. You are always 100% immediately vested in any Deferred Salary Contributions you make to this Plan.

The Internal Revenue Service (IRS) limits the total amount of pre-tax contributions you may make each calendar year. For 2009, this limit is \$16,500.00. However, if you reach age 50 anytime during the calendar year or are over 50, you may make additional pre-tax contributions above and beyond normal plan and legal limits. For 2009, you can make up to \$5,500.00 in additional contributions. If you are within three years of your normal retirement age, you may be eligible to contribute an additional amount of up to the lesser of either twice the normal contribution limit for the current tax year or the contribution limit for the year plus unused deferral amounts from 1979 to the present.

MATCHING CONTRIBUTIONS

If you elect to make Deferred Salary Contributions to the Plan we may make a matching contribution in your behalf to our 401(a) Plan. The amount of matching contribution made will be determined as a percentage of the Deferred Salary Contribution you make to this Plan.

ROLLOVER CONTRIBUTIONS

You may be able to roll over your existing retirement savings into this plan. Consolidating your retirement savings can help you continue benefiting from tax-deferred growth - despite any disruptions that may occur during your working life. Maintaining one retirement account also makes it easy for you to track your retirement savings. You are always 100% immediately vested in your Rollover Contributions.



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MANAGING YOUR ACCOUNT

How will I know how much is in my account?

You will receive a personal statement annually. You may also use your Personal Identification Number (PIN) to access your account, 24 hours a day, 365 days a year. You can check your account balance, secure investment performance information, obtain loan information and apply for a loan, make investment changes, or request additional information about the plan.

How are my contributions invested?

You give investment directions for all of your account, choosing from the investment options your plan provides.

To make choosing your investment options easier, your contributions are placed in one or more groups as follows:

All Contributions – Deferred Salary, Rollover

You may change your investment choices daily. You may transfer your existing balance to other investment options daily subject to certain restrictions. If you do not make an investment selection, your contributions will be invested into a retirement date based investment option determined by your date of birth and a projected retirement age of 65.

You "exercise control" over the investments in your account. From the investment options available under your plan, you can choose which investments to put your money in now and you can switch into different investments as your needs change.

How does vesting (ownership) apply to my account?

Plans set a "vesting schedule" to determine what percentage of ownership you can apply to your account at specific points in time. You are always 100% vested in any Deferred Salary Contributions, plus earnings.



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TAKING A DISTRIBUTION

When may I withdraw money from the plan?

The plan is designed to help you save for retirement. So, the IRS has placed restrictions on when you may withdraw money from the plan. Rollover Contributions may be withdrawn at anytime. You may withdraw money from your account under the following qualifying circumstances:

Termination

- ☐ You may receive your vested account balance. Additional requirements may apply.

Attainment of age 70½

- ☐ You may elect to receive any or all of your vested account balance.

Normal Retirement

- ☐ Age 65

Death

- ☐ Your account balance will be paid to your designated beneficiary.

Disability

- ☐ Your may receive your vested account balance.

Your plan is designed for retirement but allows for some additional flexibility. Withdrawals prior to termination of employment are permitted due to “Unforeseeable Emergency Distributions” such as major medical expenses, eviction of your primary residence.

May I take out loans from the plan?

You may borrow money from the plan by taking one (1) general loan. Your maximum loan balance may not exceed the lesser of: one half of your vested account balance or \$50,000.00. You may not initiate a loan for less than \$1,000.00. Your loan is secured by your remaining account balance.

You must repay all loans within 5 years. The interest rate on your loan will be the prime rate +2.00%. You pay back the principal and interest directly to your account through payroll deduction. If you don't repay your loan, the IRS considers the unpaid amount to be a taxable payment made to you.